

**Flourishing Future  
Lifelong Harvest**



**Life Insurance Product  
Superior Harvest Income Plan**

Underwritten by: Tahoe Life Insurance Company Limited  
(Incorporated in Bermuda with limited liability)

Craft Your Future  
精彩人生在佈局  
[www.tahoelife.com.hk](http://www.tahoelife.com.hk)  
Tel: (852) 3767 8777





# Life Insurance Product

## Superior Harvest Income Plan

---

Throughout the life journey, people are working hard for their dreams and hope to build a comprehensive plan for a flourishing future for themselves and their beloved. Tahoe Life's **Superior Harvest Income Plan** (the "Plan") provides you with extended income period and change of insured option. You can distribute your wealth to yourself, your beloved and your future generation according to your wishes.

### Plan Highlights

- **Guaranteed Cash Payment Every Year up to Age 130 of the Initial Insured and Additional One-off Special Booster at a Designated Time**
- **Extended Income Period**
- **Extended Protection Period and Change of Insured Option**
- **Three Premium Payment Terms at Choice and Premium Prepayment Option**
- **Annual Dividends and Terminal Dividend**
- **Savings and Life Insurance in One**
- **No Medical Underwriting**
- **Accidental Death Benefit and Disability Benefit**
- **Optional Supplementary Contracts**

### Plan Features

- **Guaranteed Cash Payment<sup>1,2</sup> Every Year up to Age 130 of the Initial Insured and Additional One-off Special Booster<sup>1,2</sup> at a Designated Time**

The guaranteed cash payment, equivalent to 1.5% (applicable to 6-year premium payment term) or 2% (applicable to 9-year and 12-year premium payment terms) of the guaranteed maturity benefit<sup>2,4</sup>, will be payable on the 1<sup>st</sup> policy anniversary date and every policy anniversary date thereafter until age 130 of the initial insured<sup>3</sup>, the surrender of the policy or the death of the insured, whichever is earlier.

An additional one-off special booster of guaranteed cash payment, equivalent to 1.5% (applicable to 6-year premium payment term) or 2% (applicable to 9-year and 12-year premium payment terms) of the guaranteed maturity benefit<sup>2,4</sup>, will be payable on the 15<sup>th</sup> policy

anniversary date or at age 65 of the initial insured, whichever is later.

You may choose to leave the guaranteed cash payments in the policy to earn interest<sup>5</sup>, receive them in cash or apply them towards future premium payments.

- **Extended Income Period<sup>2</sup>**

You may exercise the income option starting from the 10<sup>th</sup> (applicable to 6-year premium payment term) or 15<sup>th</sup> (applicable to 9-year and 12-year premium payment terms) policy anniversary date. According to your needs, you may choose to receive income payments for a period of 10 years, 20 years or up to age 130 of the initial insured.

During the period of income option is exercised<sup>6</sup>, you will receive income payment on a yearly basis. The balance of the income benefit will be accumulated

at an interest rate<sup>7</sup> to further provide you with potential growth for your wealth.

While choosing the income period, you may also choose the death benefit option if the insured unfortunately passes away during the income period:

- (i) pay the balance of income benefit to the beneficiary in a lump sum payment; or
- (ii) continue to pay the income payment(s) to the beneficiary until the end of the chosen income period.

- **Extended Protection Period and Change of Insured Option<sup>8</sup>**

The Plan provides extended life protection up to age 130 of the initial insured. Upon completion of premium payment term of the Plan and during the lifetime of the insured, regardless of whether the income option is exercised, you may change the insured according to your plan; so your beloved and future generation can also be protected. The Plan will continue to be effective until age 130 of the initial insured, making it a meaningful gift for your future generation.

- **Three Premium Payment Terms at Choice and Premium Prepayment Option (Applicable to 6-year Premium Payment Term Only)<sup>9</sup>**

To fit your financial situation, the Plan offers three premium payment terms: 6 years, 9 years and 12 years. The premium is guaranteed to remain unchanged once it is determined and will not be increased with your age, facilitating better financial planning for your future.

For 6-year premium payment term, you can choose to prepay all the future premiums at the time of policy application. The prepaid premium will be accumulated at an interest rate<sup>10</sup> and this will be used to settle the renewal premium when due.

- **Annual Dividends<sup>2,5</sup> and Terminal Dividend<sup>2,5</sup>**

An annual dividend will be payable on the policy anniversary date. You may choose to leave the annual dividends in the policy to earn interest, receive them in cash or apply them towards future premium payments.

If the policy has been effective for 10 years, it will also bring you additional returns by providing a

one-off terminal dividend upon the surrender of the policy, the maturity of the policy or the death of the insured. Both the annual dividends and terminal dividend are not guaranteed.

- **Savings and Life Insurance in One**

The Plan provides savings returns as well as life insurance up to age 130 of the initial insured, offering comprehensive protection for you and your loved ones. In the unfortunate event of the death of the insured, provided that the income option is not being exercised, the designated beneficiary will receive the death benefit which is equivalent to the guaranteed cash value or total premiums due and paid of the basic plan of the policy less all guaranteed cash payments paid to you (whether accumulated or withdrawn), whichever is higher; plus accumulated guaranteed cash payments and interest (if any), accumulated dividends and interest (if any) and terminal dividend (if any), less any indebtedness of the policy.

- **No Medical Underwriting**

If you apply for the basic plan only, no health declaration and medical underwriting are required. You could instantly kick start your savings plan.

- **Accidental Death Benefit<sup>11</sup> and Disability Benefit<sup>12</sup>**

The Plan provides an accidental death benefit for the initial insured. Its coverage is equivalent to 50% of the total premiums due and paid of the basic plan of the policy, up to USD 25,000 (per initial insured), providing added protection to you and your loved ones.

Moreover, in order to keep your protection intact, the premiums of the basic plan of the policy payable during the continuance of the total disability will be waived if the initial insured suffers from total disability due to disease or bodily injury between age 16 and 60 for a continuous period of 180 days or above.

- **Optional Supplementary Contracts (Not Available for Premium Prepayment Option)<sup>13</sup>**

According to your personal needs, you may choose to enhance the protection by adding various supplementary contracts, such as medical, critical illness, accidental and premium waiver supplementary contracts.

## Information at a Glance

Superior Harvest Income Plan					
Premium Payment Term	6 years / 9 years / 12 years				
Issue Age (last birthday of the insured)	<ul style="list-style-type: none"> <li>• For 6-year premium payment term: 15 days to age 70</li> <li>• For 9-year and 12-year premium payment terms: 15 days to age 65</li> </ul>				
Premium Structure	Guaranteed fixed premium				
Benefit Term	Up to age 130 of the initial insured				
Policy Currency	USD				
Minimum Premium	Premium Payment Term	Payment Mode			
		Monthly	Quarterly	Semi-annual	Annual
	6 years / 9 years	USD 405	USD 1,215	USD 2,340	USD 4,500
	12 years	USD 225	USD 675	USD 1,300	USD 2,500
Change of Insured	Follow prevailing administration rules to exercise this option after the premium payment term				
Exercising the Income Option	Policy Without Exercising the Income Option	Policy With Exercising the Income Option			
Income Option / Income Payment <sup>6</sup>	Not applicable	<ul style="list-style-type: none"> <li>• Income option can be exercised starting from the 10<sup>th</sup> (applicable to 6-year premium payment term) or 15<sup>th</sup> (applicable to 9-year and 12-year premium payment terms) policy anniversary date</li> <li>• Choices of income period: 10 years, 20 years or up to age 130 of the initial insured</li> <li>• Income payment will be paid on a yearly basis during the income period</li> </ul>			
Guaranteed Cash Payments <sup>1</sup>	Payable on every policy anniversary date until age 130 of the initial insured <ul style="list-style-type: none"> <li>• For 6-year premium payment term: 1.5% of the guaranteed maturity benefit<sup>4</sup></li> <li>• For 9-year and 12-year premium payment terms: 2% of the guaranteed maturity benefit<sup>4</sup></li> </ul>	Not applicable			

## Information at a Glance (Continued)

Superior Harvest Income Plan		
Exercising the Income Option	Policy Without Exercising the Income Option	Policy With Exercising the Income Option
Additional One-off Special Booster of Guaranteed Cash Payment <sup>1</sup>	<p>Payable on the 15<sup>th</sup> policy anniversary date or at age of 65 of the initial insured (whichever is later)</p> <ul style="list-style-type: none"> <li>For 6-year premium payment term: 1.5% of the guaranteed maturity benefit<sup>4</sup></li> <li>For 9-year and 12-year premium payment terms: 2% of the guaranteed maturity benefit<sup>4</sup></li> </ul>	Not applicable
Annual Dividends <sup>5</sup>	Payable on the policy anniversary date	Not applicable
Terminal Dividend <sup>5</sup>	Payable one time only upon the surrender of the policy, the maturity of the policy or the death of the insured, provided that the policy has been effective for 10 years	Not applicable
Maturity Benefit / Surrender Benefit	<p>Guaranteed cash value<sup>2</sup>                      + accumulated guaranteed cash payments<sup>2</sup> and interest<sup>5</sup> (if any)                      + accumulated dividends<sup>2</sup> and interest<sup>5</sup> (if any)                      + terminal dividend<sup>2,5</sup> (if any)                      - any indebtedness of the policy</p>	Not applicable
Death Benefit	<p>The higher of the following:                      (i) guaranteed cash value<sup>2</sup>; or                      (ii) total premiums due and paid of the basic plan of the policy                      - all guaranteed cash payments paid (whether accumulated or withdrawn)                      + accumulated guaranteed cash payments and interest<sup>5</sup> (if any)                      + accumulated dividends<sup>2</sup> and interest<sup>5</sup> (if any)                      + terminal dividend<sup>2,5</sup> (if any)                      - any indebtedness of the policy</p>	<p>Death benefit options:</p> <ul style="list-style-type: none"> <li>(i) pay the balance of income benefit to the beneficiary in a lump sum payment; or</li> <li>(ii) continue to pay the income payment(s) to the beneficiary until the end of the chosen income period</li> </ul>



## Information at a Glance (Continued)

Superior Harvest Income Plan		
Exercising the Income Option	Policy Without Exercising the Income Option	Policy With Exercising the Income Option
Accidental Death Benefit <sup>11</sup>	50% of the total premiums due and paid of the basic plan of the policy, up to USD 25,000 (per initial insured)	Not applicable
Disability Benefit <sup>12</sup>	During the continuance of the total disability, premiums due under the basic plan of the policy are waived	Not applicable

**Want to learn more? For more information, please contact your insurance consultant.**

**A** 20/F, Island Place Tower, 510 King's Road, North Point, HK

**T** (852) 3767 8777

**W** [www.tahoelife.com.hk](http://www.tahoelife.com.hk)

Remarks:

1. The guaranteed cash payment will be calculated based on the latest guaranteed maturity benefit, and payable when the income option is not exercised.
2. The income option can be exercised for one time only during the term of the policy and subject to any prevailing rules determined in the sole discretion of Tahoe Life from time to time. Upon the income option is exercised, maturity benefit, surrender benefit and guaranteed cash value are no longer applicable to the policy. Tahoe Life will no longer pay any annual dividend, terminal dividend or guaranteed cash payment.
3. Initial insured means the insured whose life is insured by the policy at the commencement of the policy.
4. The guaranteed maturity benefit is used to calculate premium, guaranteed cash value, guaranteed cash payments, annual dividends and terminal dividend. In case the guaranteed maturity benefit is reduced while the policy is effective, the premium and benefit amounts payable will be reduced accordingly. The guaranteed maturity benefit is not equal to the death benefit and will not be paid upon the death of the insured. For details of the death benefit, please refer to the policy contract of the Plan.
5. The Plan is a participating policy. Annual dividends and terminal dividend are not guaranteed, subject to change and will be determined by Tahoe Life from time to time. Annual dividends will only be payable when the policy is effective and there are no overdue premiums. The interest rates for annual dividends and guaranteed cash payments accumulation are not guaranteed, subject to change and will be determined by Tahoe Life from time to time. For details of the policy dividends, please refer to the below section on "About Policy Dividends" or visit Tahoe Life's website, [https://www.tahoelife.com.hk/tl/doc/pd\\_en.pdf](https://www.tahoelife.com.hk/tl/doc/pd_en.pdf).
6. Upon the income option is exercised, the surrender benefit will be converted into an income benefit, under which an income payment will be paid to the policyowner on a yearly basis during the chosen income period. The income payment shall be projected based on the income benefit and a non-guaranteed interest rate. The balance of the income benefit after deducting the income payment(s), will be accumulated at such non-guaranteed interest rate. Policyowner may apply to Tahoe Life in writing in the form that is required by Tahoe Life to terminate the income option during the income period in exchange for the balance of the income benefit. The policy will terminate after Tahoe Life pays you the balance. For details of income option, please refer to the policy contract of the Plan. For the projected annual income payment, please refer to the proposal.
7. Accumulation interest rate for the balance of the income benefit is not guaranteed, subject to change and will be determined by Tahoe Life from time to time.
8. Change of insured is subject to the prevailing administrative rules, please refer to the relevant policy contract. Change of new insured will not affect guaranteed maturity benefit, death benefit, accumulated annual dividends and interest (if any), accumulated guaranteed cash payment and interest (if any), terminal dividend (if any), guaranteed cash value, the balance of the income benefit (if any), policy date, maturity of the policy and policy year. Tahoe Life reserves the right to reject the application of change of insured.
9. The premium must be paid by annual payment. The application of prepayment of renewal premium ("prepaid premium") can only be valid when the prepaid premium is fully paid at the time of policy application together with the filled application form and signed illustration of prepayment option. The prepaid premium will only be used for the settlement of renewal premium due. Prior to the settlement of renewal premium due, the prepaid premium will be kept in a designated account of the policy but will not form part of the paid premium until it is payable. The prepaid premium will not form part of the guaranteed cash value or any benefit under the policy and will not be attributed to the calculation of death benefit. If the insured passes away before the end of the premium payment term, the remaining balance of prepaid premium shall be returned to the policyowner or his / her estate. Upon policy surrender or full withdrawal of the balance of the prepaid premium before the end of the premium payment term, the surrender

benefit or amount being withdrawn shall be returned to the policyowner, and any interest on the balance of the prepaid premium of that policy year will be forfeited.

10. Accumulation interest rate for prepaid premium is not guaranteed, subject to change and will be determined by Tahoe Life from time to time.
11. The accidental death benefit shall be automatically terminated on the 10<sup>th</sup> policy anniversary date, the policy anniversary date on or immediately following the 70<sup>th</sup> birthday of the initial insured or the effective date of the new insured, whichever is earlier. This accidental death benefit is only applicable to the initial insured who is aged 65 or below on the policy date. The maximum benefit payable under the accidental death benefit to each initial insured in Tahoe Life shall be USD 25,000, irrespective of the number of policies (excluding investment linked policy) issued by Tahoe Life for the same initial insured.
12. Disability benefit is only applicable to the initial insured who is aged 55 or below on the policy date and will be automatically terminated on the policy anniversary date on or immediately following the 60<sup>th</sup> birthday of the initial insured.
13. Full underwriting is required for adding supplementary contract. Please refer to the respective policy contract for the details of each supplementary contract. In the event of change of insured, all supplementary contracts will be terminated on the effective date of new insured and no supplementary contract can be attached to the policy thereafter.

## Major Exclusions

The accidental death benefit shall not cover death caused directly or indirectly, wholly or partly by any of the following:

1. suicide, attempted suicide, self-inflicted injury while sane or insane; or from deliberate exposure to exceptional danger (except in an attempt to save human life);

2. taking alcohol in combination with any drug, medication or sedative, or the initial insured being under the influence of alcohol, drug or medication unless, in the case of drug or medication consumption, it is proved that such drug or medication was taken by the initial insured in accordance with proper medical prescription or treatment;
3. the initial insured being in a state of insanity or psychiatric or psychological disturbance or any mental, nervous or sleep disorders;
4. the military or naval service of the initial insured in the time of declared or undeclared war or while the initial insured is under orders for warlike operations or the restoration of public order;
5. declared or undeclared war, revolution or any warlike operations;
6. aviation except as a fare-paying passenger in an aircraft operated by a commercial passenger airline (a) over its established passenger route or (b) as a chartered flight;
7. any violation or attempted violation of the law, resistance to arrest, illegal acts of the initial insured;
8. any riot or civil disorder, strike or terrorist activities;
9. engaging in or taking part in hazardous sports or activities, such as but not limited to underwater activities requiring the use of artificial breath apparatus, torrent rafting, any kind of outdoor climbing or mountaineering, pot-holing, parachuting, skydiving, hang-gliding, gliding, para-gliding, ballooning, micro-lighting, bungi-jumping, boxing of any kind, any activities involving explosives or explosion (including but not limited to firework or firecracker), outdoor winter sports such as skiing or snow boarding, hunting or driving or riding in any kind of race and all forms of professional sports;
10. voluntary or involuntary gas inhalation (except from hazard incidental to occupation) or poison voluntarily taken, administered or inhaled; or
11. nuclear fission, nuclear fusion, ionizing radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste.



The disability benefit shall not cover any disability caused directly or indirectly, wholly or partly, by any one of the following occurrences:

1. self-destruction or any attempt thereof by the initial insured while sane or insane; any drug not prescribed by Physician; violation or attempted violation of the law; riot or civil commotion, strikes or terrorist activities;
2. any psychiatric, mental or nervous disease or disorder;
3. declared or undeclared war, revolution or any warlike operations; military or naval service in time of declared or undeclared war or while under orders for warlike operations or restoration of public order; nuclear or chemical contamination;
4. entering, operating, or servicing, ascending or descending from or with any aerial device or conveyance except while the initial insured as a fare-paying passenger is in an aircraft operated by a commercial passenger airline over its established passenger route or chartered flight; or
5. any pre-existing condition from which the initial insured was suffering prior to the issue date of this policy or the effective date of last reinstatement, whichever is the latest, and prior to age 16 of the initial insured.

For the full list and details of the exclusions, please refer to the policy contract of the Plan which shall prevail.

## Important Notes

### 1. Suicide Exclusion

If the initial insured (whether sane or insane) commits suicide within one year after the issue date, the effective date (as indicated in the relevant endorsement or supplementary contract) or the reinstatement date of the policy, whichever is later, Tahoe Life's liability under the Plan will be limited to a refund of the premium paid to the basic plan of the policy, not including interest, less any indebtedness of the policy. In the case of reinstatement, the refund of premiums of the basic plan of the policy will be calculated from the reinstatement date.

If the new insured commits suicide, whether sane or insane, within one year after the effective date of new Insured, Tahoe Life's liability under the policy will be limited to a refund of the basic plan premiums paid, without interest and after deducting any indebtedness to Tahoe Life, any guaranteed cash payment and any type of dividend and interest (if any) withdrawal under the policy.

### 2. Cooling-off Right

If you are not happy with your policy, you have a right to cancel it within the cooling off period and obtain a refund of any premiums paid. A written notice signed by you and the policy should be received by Tahoe Life's Hong Kong Office at 20/F, Island Place Tower, 510 King's Road, North Point, Hong Kong within the cooling off period (that is, 21 days after the delivery of the policy or issue of a notice (informing you / your representative about the availability of the policy and expiry date of the cooling off period), whichever is the earlier).

The policy will then be cancelled and the premiums paid will be refunded provided that no claim has been made under the policy.

After the expiration of the cooling off period, if you cancel the policy before the end of the policy term, the projected total cash value may be less than the total premium you have paid.

### 3. Overdue & Non-payment of Premium

If any premium due remains unpaid at the end of the 31-day grace period, any unpaid premium will be settled by way of an automatic premium loan until the guaranteed cash value of the policy is exhausted and by then, Tahoe Life has the right to terminate the policy and all the benefits under the policy will automatically be terminated.

### 4. Automatic Premium Loan

Automatic premium loan will bear interest at a rate determined by Tahoe Life from time to time. You may inquire about the relevant interest rate from Tahoe Life. Any indebtedness of the policy may reduce the surrender benefit and the death benefit and lead to early termination of the policy. Tahoe Life has the right to terminate the policy if any indebtedness of the policy exceeds the guaranteed cash value and all the benefits under the policy will automatically be terminated. Please refer to the policy contract for details.

## 5. Policy Loan

You may apply for a policy loan from Tahoe Life with an amount not exceeding 80% of the guaranteed cash value available at the time of the policy loan's approval and provided that the income option is not exercised. A policy loan will bear interest at a rate determined by Tahoe Life from time to time. You may inquire about the latest interest rate from Tahoe Life before applying the policy loan. Any indebtedness of the policy may reduce the surrender benefit and the death benefit and lead to early termination of the policy. Tahoe Life has the right to terminate the policy if any indebtedness of the policy exceeds the guaranteed cash value and all the benefits under the policy will automatically be terminated. Please refer to the policy contract for details.

## Key Product Risks

### 1. Non-guaranteed Benefits

Annual dividends, terminal dividend and income payment are NOT guaranteed. The annual dividends payable by Tahoe Life and guaranteed cash payments (if applicable) will be automatically accumulated at an applicable interest rate(s) until you tell us to do otherwise. The accumulated interest rate of annual dividends, guaranteed cash payments and income balance is not guaranteed and is not equal to the rate of return of your premiums paid. It is subject to change and will be determined by Tahoe Life from time to time. The annual dividends, terminal dividend, income payment and accumulated interest rate set out in the illustration of the basic plan of the policy are projected figures only and are NOT guaranteed benefits of the Plan. Therefore, the actual benefits that you will receive under the Plan may be higher or lower than the illustrated amounts, and the potential return may not be comparable to the market rates or indexes throughout the benefit term. For details, please refer to the "About Policy Dividends" section below or visit the Tahoe Life website ([https://www.tahoelife.com.hk/tl/doc/pd\\_en.pdf](https://www.tahoelife.com.hk/tl/doc/pd_en.pdf)). Please visit the Tahoe Life website ([https://www.tahoelife.com.hk/tl/doc/hfr\\_en.pdf](https://www.tahoelife.com.hk/tl/doc/hfr_en.pdf)) for details of dividend history.

### 2. Premium Payment Term and Related Costs

The premium payment term of the Plan can be as long as 12 years. It is, therefore, important for you

to reserve sufficient funds to pay all the premiums within the required premium payment term. Part of the premiums paid will be used to pay for the cost of insurance and related costs.

### 3. Prepayment Risk

Prepaid premium will accumulate with Tahoe Life at a non-guaranteed interest rate which may vary from time to time without prior notice and can be higher or lower than that illustrated in the illustrations of the Plan. If the prepaid premium is insufficient to pay renewal premium due, the policyowner is required to pay the outstanding premium in order to keep the policy in force, otherwise the policy may lapse after the grace period. Only full withdrawal of the balance of the prepaid premium will be accepted by Tahoe Life. Upon policy surrender or full withdrawal of the balance of the prepaid premium before the end of the premium payment term, the surrender benefit or amount being withdrawn shall be returned to the policyowner, and any interest on the balance of the prepaid premium of that policy year will be forfeited.

### 4. Termination Conditions

Upon occurrence of any of the following events, Tahoe Life has the right to terminate the Plan before the maturity of the policy:

- 4.1 death of the insured;
- 4.2 failure to pay all the premiums due within the grace period, leading to policy indebtedness exceeding the guaranteed cash value of the policy;
- 4.3 the policy is cancelled or surrendered in accordance with its term;
- 4.4 all income benefit has been paid; or
- 4.5 any indebtedness of the policy exceeding the guaranteed cash value of the policy.

Please refer to the policy contract for details.

### 5. Early Surrender Risk

If you surrender your policy before the maturity of the policy, you may only receive the surrender benefit with all the indebtedness of the policy deducted (applicable to policy without exercising the income option) or the balance of income benefit (applicable to policy with exercising the income option), which may be considerably less than the total amount of premiums paid.

## 6. Liquidity Risk

The Plan is designed for a long-term purpose. You may choose to withdraw part of its guaranteed cash value or apply for a policy loan while the policy is effective. But this may reduce its guaranteed cash value and the death benefit. If you surrender your policy before the maturity of the policy, you may only receive the surrender benefit with all the indebtedness of the policy deducted (applicable to policy without exercising the income option) or the balance of income benefit (applicable to policy with exercising the income option), which may be considerably less than the total amount of premiums paid. The total amount of surrender value as set out in the illustration of the Plan is for reference only.

## 7. Exchange Rate Risk

You will be exposed to exchange rate risk if you pay your premium in a currency (e.g. Hong Kong dollars) other than the denominated currency of your policy (e.g. US dollars). The fluctuation in the exchange rates of the relevant currencies may render you to pay more premium than your last payment. When you convert the policy benefits into the currency of the premium you pay, you may suffer loss in your policy benefits as a result of the relevant exchange rate fluctuation. Where the policy currency and/or the settlement currency differ(s) from your home currency, you will be subject to an exchange rate risk against your home currency.

## 8. Credit Risk

Benefits of your insurance policy issued by Tahoe Life are subject to the credit risk of Tahoe Life. If Tahoe Life becomes insolvent or default on any obligations under your policy, you could, in the worst case scenario, lose the entire premium(s) paid and policy benefits.

## 9. Inflation Risk

It is worth noting that the cost of living may be higher due to inflation. Where the actual rate of inflation is higher than expected, the payable benefits under the policy might become lesser in real terms than expected after adjustment of inflation even if Tahoe Life meets all of the contractual obligations.

# About Policy Dividends

Tahoe Life Insurance Company Limited ("Tahoe Life" or the "Company") offers a full range of life insurance products to suit your needs. These include participating policies which provide both guaranteed and non-guaranteed benefits depending on the specific features of the product.

Guaranteed benefits generally include any of the following benefits: 1) insurance cover payable on death, maturity, disablement or critical illness; 2) a cash value accessible by way of policy loan or policy cancellation, and 3) periodic or lump-sum cash payments during the term of a policy. Non-guaranteed benefits are the dividends and the interest accumulation payable on dividends and other cash payments left on deposit under a policy; they may be paid or varied at the discretion of Tahoe Life.

Tahoe Life determines and distributes dividends according to the policy terms and conditions and in accordance with all relevant legislative and regulatory requirements and actuarial standards. Certain types of policies may, in addition to annual dividends, have terminal dividends. These are dividends paid at a particular time or on the occurrence of a specific event and are previously known as special dividends or maturity dividends. These are not guaranteed and will be determined by the Company at its discretion.

Tahoe Life determines the amount available for distribution as dividends to relevant classes of policyholder based on the dividend policy approved by the Board, after consulting the advice of the Appointed Actuary and the Dividend Committee. The Dividend Committee aims to maintain the equity between shareholders and policyholders of Tahoe Life by providing independent advice on the determination of the amount of dividends to policyholders.

Factors affecting the amount of dividends may **include but are not limited to** actual experience and future expectation, of a combination of the following, all of which may fluctuate over time:

- Claims factors – These represent the experience of mortality and morbidity of the business. Elements that may have a significant impact on claims factors include, but are not limited to, age at issue, sex, risk selection class, and time elapsed since policy issue.

- Interest income factors – These include interest earnings, the outlook for interest rates, and the effects of capital gains and losses on bonds due to changes in interest rates and/or changes in credit spreads.
- Market risk factors – These represent the actual investment returns and outlook for future returns of the investment portfolios supporting the participating policies (other than those covered in interest income factors). These include, but are not limited to, investment returns and outlook in relation to equity markets and property markets, actual or probable credit default losses, value changes due to foreign exchange rates and tax.
- Expense factors – These represent both the direct expenses specifically related to the group of policies (such as commissions, underwriting expenses, and policy issue and maintenance expenses) as well as the indirect expenses allocated (such as general overhead costs).
- Persistency factors – These represent the percentage of policies that stay in-force and do not lapse, surrender, or partially surrender. The impact on investments upon lapse, surrender, and partial surrender is also considered.

Each year the Company will review the actual experience and future expectation of the above factors and determine whether the dividends payable for that year need to be adjusted. The dividend adjustment may vary for different products due to the different benefit and premium structure of different products. Even where the product is the same, the dividend adjustment may vary among policies denominated in different currencies and policies of different policy classes (e.g. age, gender, underwriting class, in-force duration etc.). When considering the dividend adjustment, the Company may smooth out the experience over time to provide a more stable dividend payout. When the investment market becomes volatile, the chances of dividend adjustments are higher. The actual dividends paid (including both annual and terminal dividends) may change and may be higher or lower than those illustrated by the Company from time to time including those in the product illustration provided to a prospective policyholder before they take out a policy and during the term of the policy.

Policyholders may choose to leave their dividends or other cash payments with Tahoe Life to earn interest accumulation at interest rates which are not guaranteed and determined by Tahoe Life at its discretion from time to time based on interest income and market risk factors.

Any change in dividend rates or such interest accumulation rates will also affect the future value of the policy which may be higher or lower than the value illustrated from time to time including when the policy was first issued.

## About Investment Policy

Tahoe Life follows an active long-term investment policy with the aim of achieving the investment returns needed to pay both the guaranteed and the non-guaranteed benefits which have been illustrated to you from time to time. The Company aims to achieve these returns and balance risks through active management of investment portfolios diversified across different asset classes. Changes to the Company's investment policy may lead to different investment risks and returns. The investment strategy and its expected risk and return profile for each product category is designed to be consistent with the guaranteed and non-guaranteed benefits and the term of that product category, with higher levels of non-guaranteed benefits entailing higher investment risks.

The investment portfolios supporting the participating policies consist of a mix of bonds, equities and equity-type investments (other investments may also be included) and cash.

Bonds refer to fixed or floating rate securities or other credit instruments issued by governments, companies or other entities, or funds holding such securities. Significant changes in interest rates (including long term interest rates) or the credit quality of these securities can affect the investment returns achieved and future returns as income is reinvested. Longer term bonds and bonds of lower credit quality may offer higher yields but are more volatile. The portfolio may potentially be exposed to losses should any bonds default on interest or principal.

Equity-type investments refer to investment funds, listed or unlisted, or other variable interest investments, while other investments can include, but is not limited to, property or property related funds or securities. They are expected to provide higher returns than bonds, although these are dependent on a number of factors beyond the Company's control including dividends, company-specific factors, economic conditions, market liquidity, market valuations and sentiment. Although historically equity investments have generally performed better than bonds over the long term, this is not certain and the additional volatility of equity and equity-type investments may cause greater or more frequent adjustments to the non-guaranteed dividends (as can other factors).

The Company's investment returns may be worse than market returns due to factors such as timing of investments, security selection, costs of dealing, tax and other expenses. Changes to the investment strategy for a product category may lead to different investment risk and returns, with a corresponding effect on the dividends. For example, increasing the proportion of bonds and decreasing equities may reduce risk and volatility but lower the expected return (and vice-versa).

The investment strategy of the underlying investments is shown in the table below:

Asset Class	Target Asset Mix
Bonds	
- Investment Grade*	54 - 74%
- Non-Investment Grade	0 - 10%
Equity	25 - 45%
Property	0 - 10%
Cash & Deposits	0 - 10%
Total	100%

\*Investment grade refers to bonds typically rated e.g. BBB- or higher by Standard & Poors. Non-investment grade refers to lower rated or unrated bonds.

The investment strategy invests globally. Whilst the strategy is predominantly centred in Hong Kong, PRC and U.S. markets, other developed markets are included and investments in other emerging markets are permitted.

The investment strategy targets to maintain a minimum of 95% of the portfolio in USD or HKD currencies. Investments denominated in other currencies than the policy denomination may increase or decrease the value of the policy due to fluctuations in foreign exchange rates.

Derivatives may be used from time to time for hedging or efficient portfolio management, but usually derivatives will not form a significant part of the investment strategy.

The target asset mixes have been derived from models of historical asset class returns and volatility such that, if future returns and volatility are similar then the investment strategy will have a good probability of achieving the illustrated returns over the long term. However you should be aware investment returns are inherently difficult to estimate with accuracy and depend on many factors beyond the control of the Company. If the returns are higher or lower than assumed then the dividends payable may be higher or lower than illustrated. The target asset mixes may be varied over the life of the policy in response to changes in these models or other factors, including but not limited to changes in market conditions, legal or regulatory requirements, tax etc. The on-going asset mix may be varied within the ranges indicated according to the Company's assessment of investment risks and opportunities. In exceptional circumstances, however, it may temporarily exceed these ranges (e.g. in extreme financial market conditions).

Should there be any significant changes in the investment strategy, the Company would inform policyholders of the changes, with the underlying reasons and impact to their policies.



---

This product brochure is for use in Hong Kong only and shall not be construed as an offer to sell or solicitation to buy any insurance products outside Hong Kong. Tahoe Life does not offer or sell any insurance products in any jurisdiction outside Hong Kong where such offering or sale of the insurance products is illegal under the laws of such jurisdiction. The information shown is only a brief description of the life insurance products mentioned in this product brochure for your reference. The information contained herein is not exhaustive and does not form part of a contract of insurance. You should read carefully the relevant policy contracts for the exact terms and conditions and the policy contracts shall prevail. Applicant should seek independent professional advice before making any decision if necessary.

“Tahoe Life” refers to Tahoe Life Insurance Company Limited (Incorporated in Bermuda with limited liability).

**Tahoe Life Insurance Company Limited**  
(Incorporated in Bermuda with limited liability)

20/F, Island Place Tower, 510 King's Road, North Point, HK  
Tel: (852) 3767 8777 | Fax: (852) 2907 8923

# Life Insurance Product

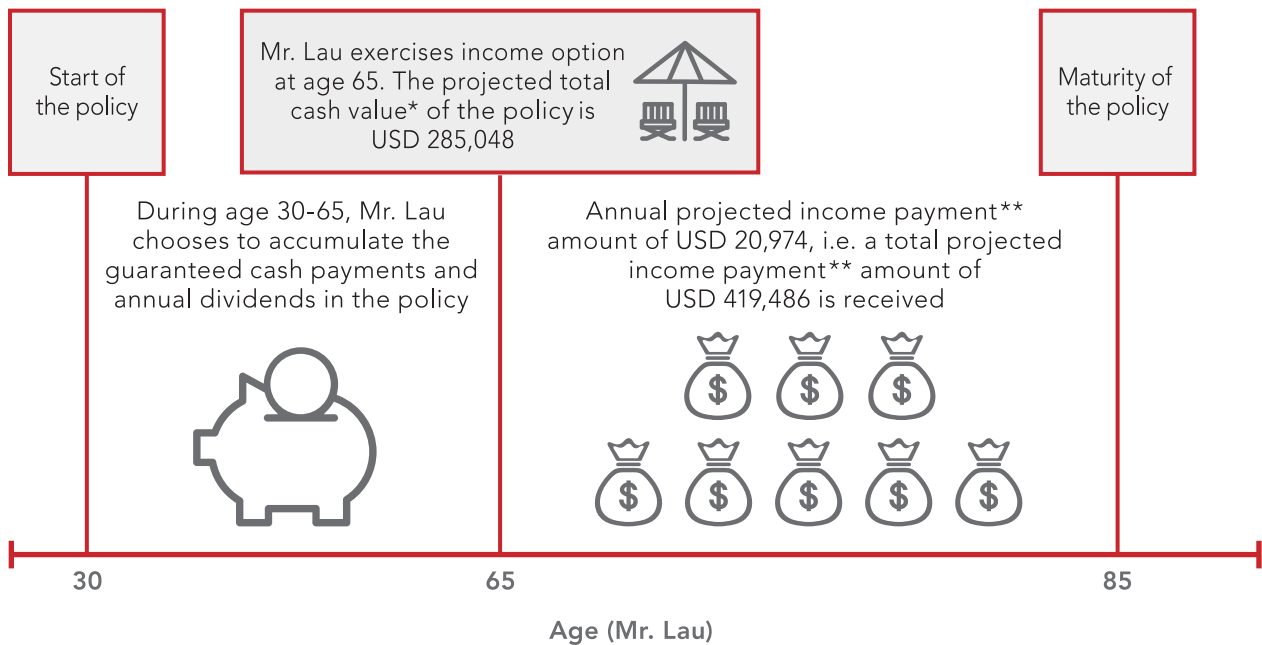
## Superior Harvest Income Plan

### Example 1: Planning for Individual

Mr. Lau, aged 30, would like to utilize the **Superior Harvest Income Plan** ("Superior Harvest" or the "Plan") to prepare early for his retirement. He worries about not having stable income after retirement, and would like to receive an income payment annually after he retires to provide extra support for him to enjoy retirement life.

Annual Premium: USD 7,500 | Total Premium: USD 90,000 | Premium Payment Term: 12 years

Insured: Mr. Lau | Target retirement age: age of 65 | Income period: 20 years





The above projected total cash value is calculated based on the specific situations in the above example and Tahoe Life's current assumed investment return, and it is accumulated in accordance with the above situation. The above figures and amount may have adjustment in decimal places after calculation, the actual return and actual amount payable may be higher or lower than those illustrated; the actual annual premium is USD 7,500.08, the actual total premium is USD 90,000.96.

\*The projected total cash value (i.e. surrender benefit upon the income option is exercised) includes guaranteed cash value, accumulated guaranteed cash payments and interest (if any), accumulated annual dividends and interest (if any), terminal dividend (if any) and less any indebtedness under the policy. As (i) the interest on accumulated guaranteed cash payments and annual dividends, (ii) annual dividends, and (iii) terminal dividend are not guaranteed, which are calculated based on the Tahoe Life's current dividend rates and current interest accumulation rate of 4.00% p.a. on both guaranteed cash payment and annual dividend; the projected total cash value is not guaranteed. The actual amount payable may be higher or lower than those illustrated.

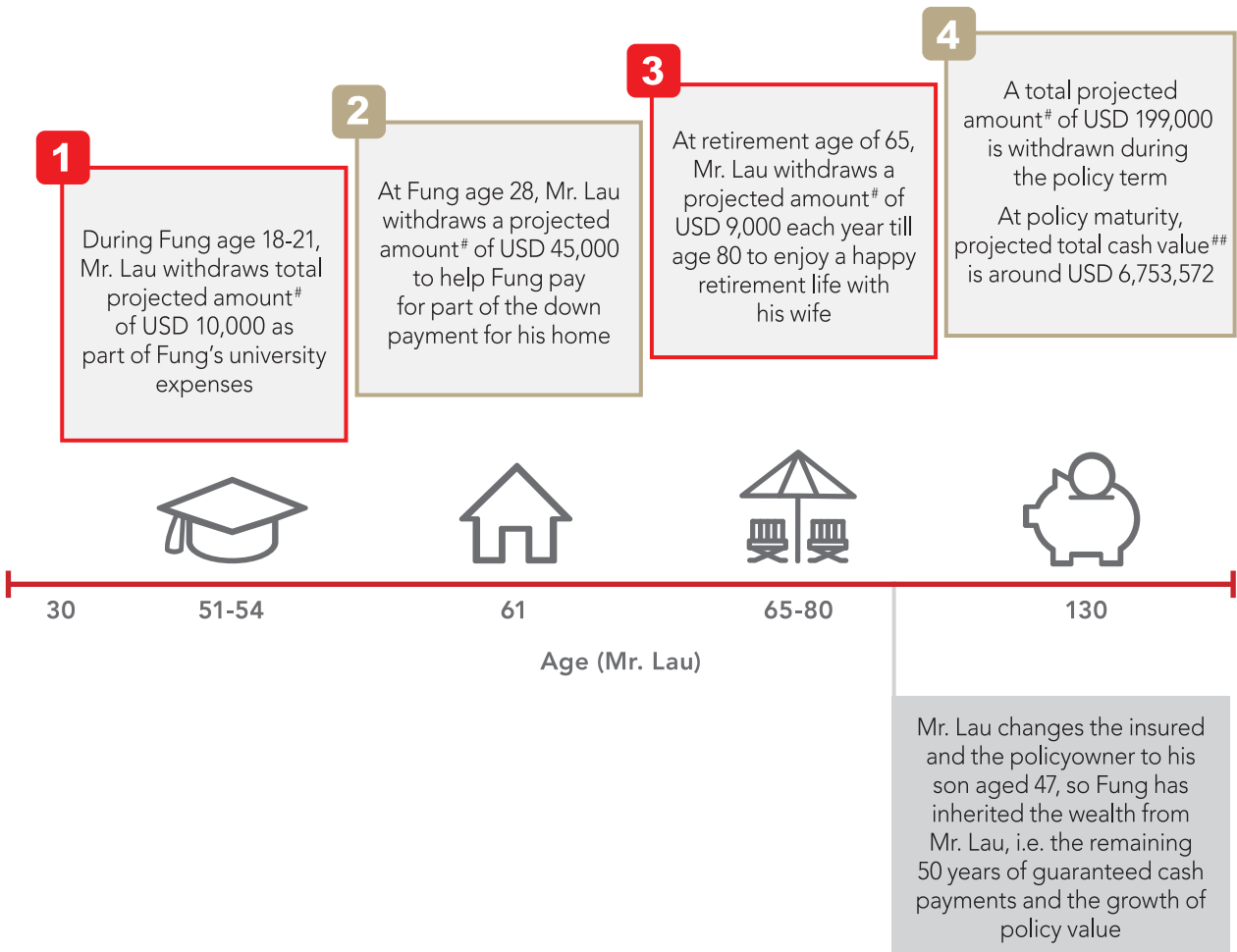
\*\*Upon the income option is exercised, the projected total cash value (i.e. surrender benefit upon the income option is exercised) will be converted into an income benefit. The annual income payments are projected based on the income benefit and a non-guaranteed interest rate (currently at 4.00% p.a.), and therefore the annual projected income payments are not guaranteed. The actual income payment paid may be higher or lower than those illustrated. The balance of the income benefit after deducting the income payment(s), will be accumulated at a non-guaranteed interest rate. Upon the income option is exercised, maturity benefit, surrender benefit and guaranteed cash value are no longer applicable to the policy. Tahoe Life will no longer pay any annual dividend, terminal dividend or guaranteed cash payment to the policy once the income option is exercised.

## Example 2: Planning for Family

Mr. Lau has applied for **Superior Harvest Income Plan** at age 30 to plan ahead for his retirement life. He got married at age 32, and his son, Fung, was born when Mr. Lau was 33. Mr. Lau decides to utilize the flexibility of **Superior Harvest Income Plan** to create a financial plan for his family.

Annual Premium: USD 7,500 | Total Premium: USD 90,000 | Premium Payment Term: 12 years

Insured: The initial insured is Mr. Lau; at age 80, he changes the insured and the policyowner to his son, Fung.



The above projected total cash value is calculated based on the specific situations in the above example and Tahoe Life's current assumed investment return, and it is accumulated and withdrawn in accordance with the above situation. The above figures and amount may have adjustment in decimal places after calculation, the actual return and actual amount payable may be higher or lower than those illustrated; the actual annual premium is USD 7,500.08 and the actual total premium is USD 90,000.96.

#The projected withdrawal amount includes accumulated guaranteed cash payments and interest (if any), accumulated annual dividends and interest (if any). As (i) the interest on accumulated guaranteed cash payments and annual dividends, and (ii) annual dividends are not guaranteed, the projected withdrawal amount is not guaranteed; the actual amount and number of years of withdrawal may be different from the above example.

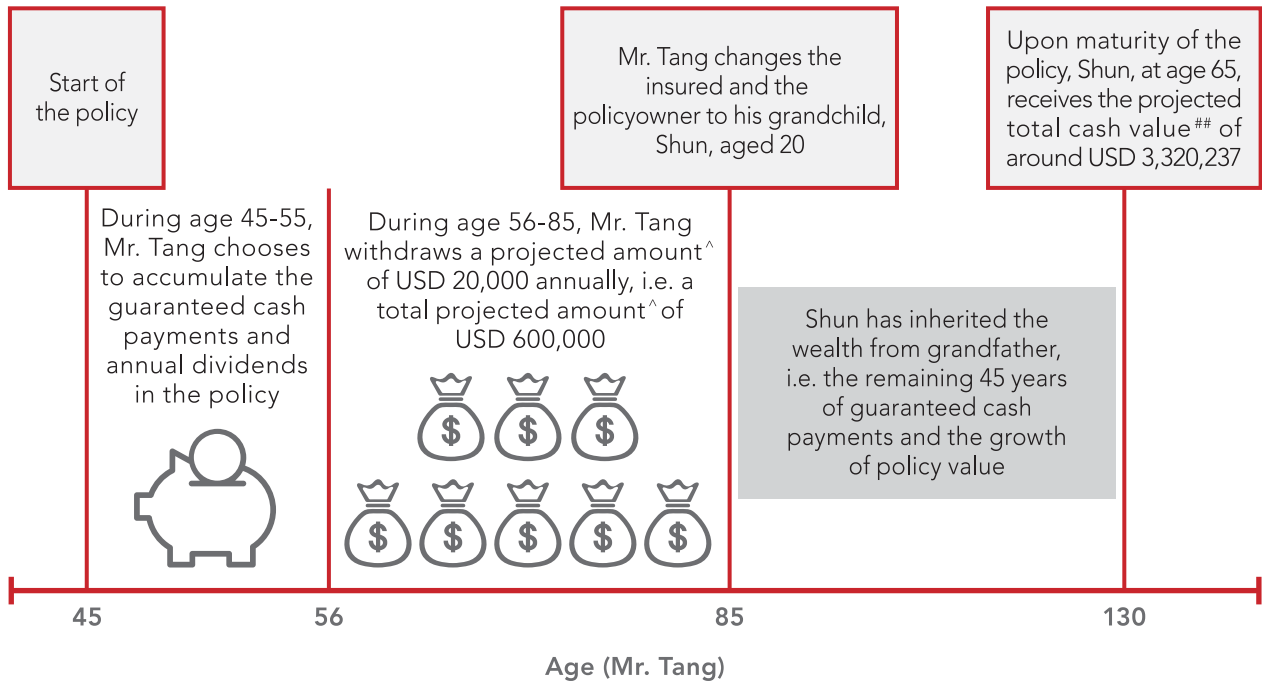
##The projected total cash value (i.e. maturity benefit) includes guaranteed cash value, accumulated guaranteed cash payments and interest (if any), accumulated annual dividends and interest (if any), terminal dividend (if any) and less any indebtedness under the policy. As (i) the interest on accumulated guaranteed cash payments and annual dividends, (ii) annual dividends, and (iii) terminal dividend are not guaranteed, which are calculated based on the Tahoe Life's current dividend rates and current interest accumulation rate of 4.00% p.a. on both guaranteed cash payment and annual dividend; the projected total cash value is not guaranteed. The actual amount payable may be higher or lower than those illustrated.

### Example 3: Enjoying the Golden Age

Mr. Tang applies for **Superior Harvest Income Plan** at age 45. He wants to start financial planning for his retirement life and build a legacy for his grandchild.

Annual Premium: USD 50,000 | Total Premium: USD 300,000 | Premium Payment Term: 6 years

Insured: The initial insured is Mr. Tang; at age 85, he changes the insured and the policyowner to his grandchild, Shun.



The above projected total cash value is calculated based on the specific situations in the above example and Tahoe Life's current assumed investment return, and it is accumulated and withdrawn in accordance with the above situation. The above figures and amount may have adjustment in decimal places after calculation, the actual return and actual amount payable may be higher or lower than those illustrated; the actual annual premium is USD 50,000.09, the actual total premium is USD 300,000.54.

<sup>^</sup>The projected withdrawal amount is taken out from accumulated guaranteed cash payments and interest (if any), accumulated annual dividends and interest (if any), then withdrawn from guaranteed cash value and terminal dividend by means of reduction of guaranteed maturity benefit. As (i) the interest on accumulated guaranteed cash payments and annual dividends, (ii) annual dividends, and (iii) terminal dividend are not guaranteed, the projected withdrawal amount is not guaranteed; also the actual amount and number of years of withdrawal may be different from the above example. After the reduction of guaranteed maturity benefit, the subsequent guaranteed cash payments, guaranteed cash value, annual dividend, terminal dividend, total surrender benefit and total death benefit will be adjusted accordingly based on the reduced guaranteed maturity benefit.

<sup>##</sup>The projected total cash value (i.e. maturity benefit) includes guaranteed cash value, accumulated guaranteed cash payments and interest (if any), accumulated annual dividends and interest (if any), terminal dividend (if any) and less any indebtedness under the policy. As (i) the interest on accumulated guaranteed cash payments and annual dividends, (ii) annual dividends, and (iii) terminal dividend are not guaranteed, which are calculated based on the Tahoe Life's current dividend rates and current interest accumulation rate of 4.00% p.a. on both guaranteed cash payment and annual dividend; the projected total cash value is not guaranteed. The actual amount payable may be higher or lower than those illustrated.

**Remarks:**

**The examples listed in this flyer are for reference only. This flyer should be read in conjunction with the product brochure of Superior Harvest Income Plan. For details of the product and related key product risks, please refer to the product brochure of the Plan.**

1. The guaranteed cash payment will be calculated based on the latest guaranteed maturity benefit, and payable when the income option is not exercised.
2. The guaranteed maturity benefit is used to calculate premium, guaranteed cash value, guaranteed cash payments, annual dividends and terminal dividend. In case the guaranteed maturity benefit is reduced while the policy is effective, the premium and benefit amounts payable will be reduced accordingly. The guaranteed maturity benefit is not related to the death benefit and will not be paid upon the death of the insured. For details of the death benefit, please refer to the policy contract of the Plan.
3. The Plan is a participating policy. Annual dividends and terminal dividend are not guaranteed, subject to change and will be determined by Tahoe Life from time to time. Annual dividends will only be payable when the policy is effective and there are no overdue premiums. The interest rates for annual dividends and guaranteed cash payments accumulation are not guaranteed, subject to change and will be determined by Tahoe Life from time to time. For details of the policy dividends, please refer to the "About Policy Dividends" section in the product brochure of the Plan or visit Tahoe Life's website, [https://www.tahoelife.com.hk/tl/doc/pd\\_en.pdf](https://www.tahoelife.com.hk/tl/doc/pd_en.pdf).
4. Change of insured is subject to the prevailing administrative rules, please refer to the relevant policy contract. Change of new insured will not affect guaranteed maturity benefit, death benefit, accumulated annual dividends and interest (if any), accumulated guaranteed cash payment and interest (if any), terminal dividend (if any), guaranteed cash value, the balance of the income benefit (if any), policy date, maturity of the policy and policy year. Tahoe Life reserves the right to reject the application of change of insured.

---

This flyer is for use in Hong Kong only and shall not be construed as an offer to sell or solicitation to buy any insurance products outside Hong Kong. Tahoe Life does not offer or sell any insurance products in any jurisdiction outside Hong Kong where such offering or sale of the insurance products is illegal under the laws of such jurisdiction.

"Tahoe Life" refers to Tahoe Life Insurance Company Limited (Incorporated in Bermuda with limited liability).

**Underwritten by:**  
**Tahoe Life Insurance Company Limited**  
**(Incorporated in Bermuda with limited liability)**



Craft Your Future  
精彩人生在佈局